

CHAPTER 41

CORPORATIONS AND ASSOCIATIONS

HOUSE BILL 21-1124

BY REPRESENTATIVE(S) Bird and Soper, Bacon, Bernett, Duran, Exum, Froelich, Herod, Kipp, McCormick, Michaelson Jenet, Ortiz, Pico, Rich, Sandridge, Snyder, Titone, Valdez A., Valdez D., Will, Woodrow, Young;
also SENATOR(S) Lee, Bridges, Buckner, Hisey, Lundeen, Sonnenberg, Woodward.

AN ACT

CONCERNING AN EXPANSION OF THE ABILITY TO CONDUCT BUSINESS ACTIVITIES ELECTRONICALLY.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 7-90-801, **amend** (2)(f) as follows:

7-90-801. Authority to transact business or conduct activities required.

(2) A foreign entity shall not be considered to be transacting business or conducting activities in this state within the meaning of subsection (1) of this section by reason of carrying on in this state any one or more of the following activities:

(f) Soliciting or obtaining orders, whether by mail or ELECTRONIC TRANSMISSION, through employees or agents, or otherwise, if the orders require acceptance outside this state before they become contracts;

SECTION 2. In Colorado Revised Statutes, 7-90-102, **amend** (1), (10.5), (19.7), (60.5), and (66); and **add** (10.7), (19.6), (19.8), and (19.9) as follows:

7-90-102. Definitions. As used in this title 7, except as otherwise defined for the purpose of any section, subpart, part, or article of this title 7, or unless the context otherwise requires:

(1) "Address" means a mailing address, ~~or~~ a street address, OR AN ADDRESS FOR DELIVERY OF AN ELECTRONIC TRANSMISSION.

(10.5) (a) EXCEPT AS SPECIFIED IN SUBSECTION (10.5)(b) OF THIS SECTION, "deliver" OR "DELIVERY" includes:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(I) Mail; ~~except that~~

(II) HAND DELIVERY BY COURIER OR OTHERWISE; AND

(III) ELECTRONIC TRANSMISSION. UNLESS OTHERWISE AGREED BETWEEN THE SENDER AND RECIPIENT, AN ELECTRONIC TRANSMISSION SHALL BE DEEMED DELIVERED TO A PERSON FOR PURPOSES OF THIS TITLE 7 AND FOR THE PURPOSES OF THE CONSTITUENT DOCUMENTS OF ANY ENTITY WHEN THE ELECTRONIC TRANSMISSION ENTERS AN INFORMATION PROCESSING SYSTEM THAT THE PERSON HAS DESIGNATED FOR THE PURPOSE OF RECEIVING ELECTRONIC TRANSMISSIONS OF THE TYPE DELIVERED IF THE ELECTRONIC TRANSMISSION IS IN A FORM CAPABLE OF BEING PROCESSED BY THAT SYSTEM AND THE PERSON IS ABLE TO RETRIEVE THE ELECTRONIC TRANSMISSION. WHETHER A PERSON HAS SO DESIGNATED AN INFORMATION PROCESSING SYSTEM IS DETERMINED BY THE CONSTITUENT DOCUMENTS OR FROM THE CONTEXT AND SURROUNDING CIRCUMSTANCES, INCLUDING THE PARTIES' CONDUCT. AN ELECTRONIC TRANSMISSION IS DELIVERED UNDER THIS SUBSECTION (10.5)(a)(III) EVEN IF NO PERSON IS AWARE OF ITS RECEIPT. RECEIPT OF AN ELECTRONIC ACKNOWLEDGMENT FROM AN INFORMATION PROCESSING SYSTEM ESTABLISHES THAT AN ELECTRONIC TRANSMISSION WAS RECEIVED BUT DOES NOT, BY ITSELF, ESTABLISH THAT THE CONTENT SENT CORRESPONDS TO THE CONTENT RECEIVED.

(b) Delivery to the secretary of state means actual receipt by the secretary of state. ~~"Deliver"~~ DELIVERY to any person by the secretary of state includes delivery or mail to the registered agent address of the person's registered agent, or to the principal office address of the person, unless otherwise specified in section 7-90-902 or by an organic statute other than this article. ~~"Deliver"~~ ARTICLE 90. DELIVERY by the secretary of state to a person that has neither a principal office address nor a registered agent address includes delivery to the address that ~~such~~ THE person may have provided to the secretary of state for ~~such~~ THAT purpose unless otherwise specified by an organic statute other than this article ARTICLE 90.

(10.7) "DOCUMENT" MEANS:

(a) ANY TANGIBLE MEDIUM ON WHICH INFORMATION IS INSCRIBED AND INCLUDES HANDWRITTEN, TYPED, PRINTED, OR SIMILAR INSTRUMENTS AND COPIES OF SUCH INSTRUMENTS; AND

(b) AN ELECTRONIC RECORD.

(19.6) "EFFECTIVE DATE OF DISSOLUTION" OF AN ENTITY MEANS, WITH RESPECT TO ANY DOMESTIC ENTITY OTHER THAN A GENERAL PARTNERSHIP THAT WAS A REPORTING ENTITY BEFORE DISSOLUTION, THE EARLIER OF THE EFFECTIVE DATE OF THE ENTITY'S ARTICLES OF DISSOLUTION OR STATEMENT OF DISSOLUTION OR THE DATE AS SHOWN BY THE RECORDS OF THE SECRETARY OF STATE ON WHICH THE ENTITY WAS ADMINISTRATIVELY OR JUDICIALLY DISSOLVED.

(19.7) (a) ~~"Effective date of dissolution of an entity" means, with respect to any domestic entity other than a general partnership that was a reporting entity before dissolution, the earlier of the effective date of the entity's articles of dissolution or statement of dissolution or the date as shown by the records of the secretary of state~~

~~on which the entity was administratively or judicially dissolved~~ "ELECTRONIC MAIL" OR "E-MAIL" MEANS AN ELECTRONIC TRANSMISSION DIRECTED TO A UNIQUE ELECTRONIC-MAIL ADDRESS.

(b) AS USED IN THIS SUBSECTION (19.7):

(I) "ELECTRONIC-MAIL ADDRESS" MEANS A DESTINATION, COMMONLY EXPRESSED AS A STRING OF CHARACTERS CONSISTING OF A UNIQUE USER NAME OR MAILBOX, COMMONLY REFERRED TO AS THE "LOCAL PART" OF THE ADDRESS, TOGETHER WITH A SECOND STRING OF CHARACTERS COMMONLY REFERRED TO AS THE "DOMAIN NAME". THE LOCAL PART OF THE ADDRESS AND THE DOMAIN NAME ARE USUALLY, BUT NOT NECESSARILY, SEPARATED BY AN "@" SYMBOL.

(II) ELECTRONIC MAIL SHALL BE DEEMED TO INCLUDE ANY FILES ATTACHED TO THE ELECTRONIC MAIL AND ANY INFORMATION HYPERLINKED TO A WEBSITE IF THE ELECTRONIC MAIL INCLUDES THE CONTACT INFORMATION OF AN OFFICER OR AGENT OF THE ENTITY THAT IS AVAILABLE TO ASSIST WITH ACCESSING THE FILES AND INFORMATION.

(19.8) "ELECTRONIC RECORD" MEANS INFORMATION THAT IS STORED IN AN ELECTRONIC OR OTHER NONTANGIBLE MEDIUM AND IS RETRIEVABLE IN PAPER FORM THROUGH AN AUTOMATED PROCESS USED IN CONVENTIONAL COMMERCIAL PRACTICE, UNLESS OTHERWISE AUTHORIZED IN ACCORDANCE WITH SECTION 7-90-105.

(19.9) "ELECTRONIC TRANSMISSION" OR "ELECTRONICALLY TRANSMITTED" MEANS ANY FORM OR PROCESS OF COMMUNICATION NOT DIRECTLY INVOLVING THE PHYSICAL TRANSFER OF PAPER OR ANOTHER TANGIBLE MEDIUM THAT:

(a) IS SUITABLE FOR THE RETENTION, RETRIEVAL, AND REPRODUCTION OF INFORMATION BY THE RECIPIENT; AND

(b) IS RETRIEVABLE IN PAPER FORM BY THE RECIPIENT THROUGH AN AUTOMATED PROCESS USED IN CONVENTIONAL COMMERCIAL PRACTICE, UNLESS OTHERWISE AUTHORIZED IN ACCORDANCE WITH SECTION 7-90-105.

(60.5) "SIGN" OR "signature" or "signed", ~~unless otherwise provided in the constituent document, includes an "electronic signature" as that term is defined in the "Uniform Electronic Transactions Act", section 24-71.3-102 (8), C.R.S.~~ MEANS, WITH PRESENT INTENT, TO AUTHENTICATE OR ADOPT A RECORD BY:

(a) EXECUTING OR ADOPTING A TANGIBLE SYMBOL; OR

(b) ATTACHING TO OR LOGICALLY ASSOCIATING WITH THE RECORD AN ELECTRONIC SYMBOL, SOUND, OR PROCESS.

(66) "Writing" or "written" ~~unless otherwise provided in the constituent document, includes an "electronic record" as that term is defined in the "Uniform Electronic Transactions Act", section 24-71.3-102 (7), C.R.S.~~ MEANS INFORMATION IN THE FORM OF A DOCUMENT.

SECTION 3. In Colorado Revised Statutes, **add** 7-90-105 and 7-90-106 as follows:

7-90-105. Notice. (1) EXCEPT AS OTHERWISE PROVIDED IN SECTION 7-90-403 WITH RESPECT TO NOTICE GIVEN BY THE SECRETARY OF STATE, NOTICE GIVEN PURSUANT TO THIS TITLE 7 MUST BE IN WRITING UNLESS ORAL NOTICE IS REASONABLE UNDER THE CIRCUMSTANCES.

(2) NOTICE MAY BE GIVEN IN PERSON OR BY TELEPHONE, ELECTRONIC TRANSMISSION, MAIL, OR PRIVATE CARRIER. A NOTICE OR OTHER COMMUNICATION MAY BE IN THE FORM OF AN ELECTRONIC TRANSMISSION THAT CANNOT BE DIRECTLY REPRODUCED IN PAPER FORM BY THE RECIPIENT THROUGH AN AUTOMATED PROCESS USED IN CONVENTIONAL COMMERCIAL PRACTICE ONLY IF:

(a) THE ELECTRONIC TRANSMISSION IS OTHERWISE RETRIEVABLE IN PERCEIVABLE FORM; AND

(b) THE SENDER AND THE RECIPIENT HAVE CONSENTED IN WRITING TO THE USE OF THAT FORM OF ELECTRONIC TRANSMISSION.

(3) WITHOUT LIMITING THE MANNER BY WHICH NOTICE OTHERWISE MAY BE GIVEN EFFECTIVELY TO OWNERS, ANY NOTICE TO AN OWNER GIVEN BY AN ENTITY UNDER ANY PROVISION OF THIS TITLE 7 OR THE CONSTITUENT DOCUMENTS MAY BE GIVEN IN WRITING DIRECTED TO THE OWNER'S MAILING ADDRESS OR BY ELECTRONIC TRANSMISSION DIRECTED TO THE OWNER'S ELECTRONIC-MAIL ADDRESS, AS APPLICABLE, AS IT APPEARS ON THE RECORDS OF THE ENTITY, AND THE NOTICE IS EFFECTIVE AT THE EARLIEST OF:

(a) THE DATE RECEIVED;

(b) FIVE DAYS AFTER MAILING IF THE NOTICE IS DEPOSITED IN THE UNITED STATES MAIL, POSTAGE PREPAID; OR

(c) THE DATE SHOWN ON THE RETURN RECEIPT, IF MAILED BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, AND THE RECEIPT IS SIGNED BY OR ON BEHALF OF THE ADDRESSEE.

(4) WHEN ORAL NOTICE IS REASONABLE IN THE CIRCUMSTANCES AS CONTEMPLATED BY SUBSECTION (1) OF THIS SECTION, THE ORAL NOTICE IS EFFECTIVE WHEN COMMUNICATED IF COMMUNICATED IN A COMPREHENSIBLE MANNER.

(5) WITHOUT LIMITING THE MANNER BY WHICH NOTICE OTHERWISE MAY BE GIVEN EFFECTIVELY TO OWNERS, NOTICE GIVEN BY ELECTRONIC TRANSMISSION IS RECEIVED WHEN DELIVERED IF:

(a) DIRECTED TO AN OWNER'S ELECTRONIC-MAIL ADDRESS PROVIDED BY THE OWNER UNLESS:

(1) THE OWNER HAS NOTIFIED THE ENTITY IN WRITING OR BY ELECTRONIC TRANSMISSION OF AN OBJECTION TO RECEIVING NOTICE BY ELECTRONIC MAIL; OR

(II) THE NOTICE IS PROHIBITED BY THIS TITLE 7 OR THE CONSTITUENT DOCUMENTS; AND

(b) THE NOTICE BY ELECTRONIC MAIL INCLUDES A PROMINENT LEGEND THAT THE COMMUNICATION IS AN IMPORTANT NOTICE REGARDING THE ENTITY.

(6) IF THREE SUCCESSIVE NOTICES THAT ARE SENT TO AN OWNER PURSUANT TO THIS SECTION HAVE BEEN RETURNED AS UNDELIVERABLE, NO FURTHER NOTICES TO THE OWNER ARE NECESSARY UNTIL ANOTHER ADDRESS FOR THE OWNER IS MADE KNOWN TO THE ENTITY; EXCEPT THAT THE FAILURE TO PROVIDE THE NOTICE PURSUANT TO THIS SUBSECTION (6) DOES NOT INVALIDATE ANY MEETING OR OTHER ACTION.

(7) AN AFFIDAVIT OF THE MANAGER, TRANSFER AGENT, OR OTHER AGENT OF THE ENTITY THAT NOTICE HAS BEEN GIVEN IS, IN THE ABSENCE OF FRAUD, PRIMA FACIE EVIDENCE OF THE FACTS STATED IN THE AFFIDAVIT.

(8) NOTICE TO A DOMESTIC ENTITY OR TO A FOREIGN ENTITY AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT ACTIVITIES IN THIS STATE MAY BE MAILED TO:

(a) THE REGISTERED AGENT ADDRESS OF THE ENTITY'S REGISTERED AGENT; OR

(b) THE ENTITY OR ITS MANAGER OR SECRETARY AT ITS PRINCIPAL OFFICE.

(9) IF THIS TITLE 7 PRESCRIBES NOTICE REQUIREMENTS FOR PARTICULAR CIRCUMSTANCES, THOSE REQUIREMENTS GOVERN. IF THE CONSTITUENT DOCUMENTS OF AN ENTITY PRESCRIBE NOTICE REQUIREMENTS NOT INCONSISTENT WITH THIS SECTION OR OTHER PROVISIONS OF THIS TITLE 7, THOSE REQUIREMENTS GOVERN.

(10) (a) A DOMESTIC ENTITY HAS GIVEN NOTICE OR HAS DELIVERED ANY DOCUMENT UNDER THIS TITLE 7 OR PURSUANT TO THE CONSTITUENT DOCUMENTS TO ALL OWNERS WHO SHARE A COMMON ADDRESS IF:

(I) THE DOMESTIC ENTITY DELIVERS ONE COPY OF THE DOCUMENT TO THE COMMON ADDRESS;

(II) THE DOMESTIC ENTITY ADDRESSES THE DOCUMENT TO THE OWNERS EITHER AS A GROUP, TO EACH OF THE OWNERS INDIVIDUALLY, OR TO THE OWNERS IN A FORM TO WHICH EACH OF THE OWNERS HAS CONSENTED; AND

(III) EACH OF THE OWNERS CONSENTS TO DELIVERY OF A SINGLE COPY OF THE DOCUMENT TO THE OWNERS' COMMON ADDRESS.

(b) THE CONSENT DESCRIBED IN SUBSECTIONS (10)(a)(II) AND (10)(a)(III) OF THIS SECTION IS REVOCABLE BY AN OWNER WHO DELIVERS NOTICE OF REVOCATION TO THE DOMESTIC ENTITY. IF THE NOTICE OF REVOCATION IS DELIVERED, THE DOMESTIC ENTITY SHALL BEGIN PROVIDING INDIVIDUAL NOTICES OR DOCUMENTS TO THE REVOKING OWNER NO LATER THAN THIRTY DAYS AFTER DELIVERY OF THE NOTICE OF REVOCATION.

(c) AN OWNER WHO FAILS TO OBJECT BY NOTICE TO THE DOMESTIC ENTITY WITHIN

SIXTY DAYS AFTER NOTICE BY THE ENTITY OF ITS INTENTION TO DELIVER SINGLE COPIES OF NOTICES OR DOCUMENTS TO OWNERS WHO SHARE A COMMON ADDRESS AS PERMITTED BY SUBSECTION (10)(a) OF THIS SECTION IS DEEMED TO HAVE CONSENTED TO RECEIVING A SINGLE COPY AT THE COMMON ADDRESS IF THE NOTICE OF INTENTION EXPLAINS THAT CONSENT MAY BE REVOKED AND THE METHOD FOR REVOKING CONSENT.

7-90-106. Relation to electronic signatures in global and national commerce act. THIS ARTICLE 90 MODIFIES, LIMITS, OR SUPERSEDES THE FEDERAL "ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT", 15 U.S.C. SEC. 7001 ET SEQ., BUT DOES NOT MODIFY, LIMIT, OR SUPERSEDE SECTION 101 (c) OF THAT ACT, 15 U.S.C. SEC. 7001 (c), OR AUTHORIZE ELECTRONIC DELIVERY OF ANY OF THE NOTICES DESCRIBED IN SECTION 103 (b) OF THAT ACT, 15 U.S.C. SEC. 7003 (b).

SECTION 4. In Colorado Revised Statutes, 7-90-306, **amend** (3) as follows:

7-90-306. Filing duty of secretary of state - manner of filing. (3) If the secretary of state permits a document to be delivered in a physical medium and the secretary of state refuses to file the document, the secretary of state shall return it to any individual who has been identified, pursuant to section 7-90-301 (8), as having caused the document to be delivered for filing at the address provided for that individual, together with a ~~written~~ notice providing a brief explanation of the reason for the refusal, within ten days after the document was delivered to the secretary of state; except that no return or notice ~~shall be~~ is required with respect to a periodic report that the secretary of state has refused to file.

SECTION 5. In Colorado Revised Statutes, 7-90-911, **amend** (2) as follows:

7-90-911. Disposition of known claims by notification. (2) A dissolved domestic entity may deliver ~~written~~ notice under this subsection (2) to any person at any time on or after the effective date of the dissolution. The notice contemplated in this subsection (2) ~~shall~~ MUST state that, unless sooner barred by any other statute limiting actions, any claim of that person against the dissolved domestic entity will be barred if an action to enforce the claim is not commenced by a deadline that is stated in the notice, which deadline shall not be less than two years after the delivery of notice. The notice may contain such other information as the dissolved entity determines to include, including information regarding procedures facilitating the processing of claims against the dissolved entity; except that no obligations on persons having claims against the dissolved entity shall be imposed or implied that do not exist at law.

SECTION 6. In Colorado Revised Statutes, 7-101-401, **repeal** (15) as follows:

7-101-401. General definitions. As used in articles 101 to 117 of this title 7, unless the context otherwise requires:

(15) ~~"Effective date of notice" has the meaning set forth in section 7-101-402.~~

SECTION 7. In Colorado Revised Statutes, **repeal** 7-101-402 as follows:

7-101-402. Notice. (1) ~~Notice given pursuant to articles 101 to 117 of this title~~

~~shall be in writing unless oral notice is reasonable under the circumstances.~~

~~(2) Notice may be given in person; by telephone, telegraph, teletype, electronically transmitted facsimile, or other form of wire or wireless delivery; or by mail or private carrier.~~

~~(3) Written notice by a corporation to its shareholders, if in a comprehensible form, is effective as to each shareholder when mailed, if mailed addressed to the shareholder's address shown in the corporation's current record of shareholders. If three successive notices given to a shareholder pursuant to this subsection (3) have been returned as undeliverable, no further notices to such shareholder shall be necessary until another address for the shareholder is made known to the corporation.~~

~~(4) Written notice to a domestic corporation or to a foreign corporation authorized to transact business or conduct activities in this state may be mailed to the registered agent address of its registered agent or to the corporation or its secretary at its principal office.~~

~~(5) Except as provided in subsection (3) of this section, written notice, if in a comprehensible form, is effective at the earliest of:~~

~~(a) The date received;~~

~~(b) Five days after mailing; or~~

~~(c) The date shown on the return receipt, if mailed by registered or certified mail; return receipt requested, and the receipt is signed by or on behalf of the addressee.~~

~~(6) Oral notice is effective when communicated if communicated in a comprehensible manner.~~

~~(7) Repealed.~~

~~(8) If articles 101 to 117 of this title prescribe notice requirements for particular circumstances, those requirements govern. If the articles of incorporation or bylaws prescribe notice requirements not inconsistent with this section or other provisions of articles 101 to 117 of this title, those requirements govern.~~

~~(9) (a) A domestic corporation has given written notice or any other report or statement under articles 101 to 117 of this title, the articles of incorporation, or the bylaws to all shareholders who share a common address if:~~

~~(I) The domestic corporation delivers one copy of the notice, report, or statement to the common address;~~

~~(II) The domestic corporation addresses the notice, report, or statement to those shareholders either as a group or to each of those shareholders individually or to the shareholders in a form to which each of those shareholders has consented; and~~

~~(III) Each of those shareholders consents to delivery of a single copy of the~~

notice, report, or statement to the shareholders' common address:

~~(b) The consent described in subsections (9)(a)(II) and (9)(a)(III) of this section is revocable by a shareholder who delivers written notice of revocation to the domestic corporation. If the written notice of revocation is delivered, the domestic corporation shall begin providing individual notices, reports, or other statements to the revoking shareholder no later than thirty days after delivery of the written notice of revocation.~~

~~(c) A shareholder who fails to object by written notice to the domestic corporation within sixty days after written notice by the corporation of its intention to deliver single copies of notices, reports, or statements to shareholders who share a common address as permitted by subsection (9)(a) of this section is deemed to have consented to receiving a single copy at the common address if the notice of intention explains that consent may be revoked and the method for revoking.~~

SECTION 8. In Colorado Revised Statutes, 7-103-106, **amend** (4)(d) and (8)(g)(I)(A) as follows:

7-103-106. Ratification of defective corporate actions - definitions.

(4) Notice requirements. (d) A notice required by this section may be given in any manner permitted by section ~~7-101-402~~ 7-90-105 and, for any corporation subject to the reporting requirements of section 13 or 15 (d) of the federal "Securities Exchange Act of 1934", as amended, 15 U.S.C. sec. 78m and 15 U.S.C. sec. 78m (d), may be given by means of a filing or furnishing of the notice with the United States securities and exchange commission.

(8) Definitions. As used in this section:

(g) (I) "Validation effective time", with respect to any defective corporate action ratified under this section, means the later of:

(A) The time at which the ratification of the defective corporate action is approved by the shareholders or, if approval of shareholders is not required, the time at which the notice required by subsection (4) of this section takes effect in accordance with section ~~7-101-402~~ 7-90-105; and

SECTION 9. In Colorado Revised Statutes, 7-107-101, **amend** (2) as follows:

7-107-101. Annual meeting. (2) UNLESS THE BOARD OF DIRECTORS DETERMINES TO HOLD THE MEETING SOLELY BY MEANS OF REMOTE COMMUNICATION IN ACCORDANCE WITH SECTION 7-107-108:

(a) Annual shareholders' meetings may be held in or out of this state at the place stated in or fixed in accordance with the bylaws, or, if not ~~so~~ stated IN or fixed IN ACCORDANCE WITH THE BYLAWS, at a place stated in or fixed in accordance with a resolution of the board of directors.

(b) If no place is ~~so~~ stated IN or fixed PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION, annual meetings shall be held at the corporation's principal office.

SECTION 10. In Colorado Revised Statutes, 7-107-102, **amend** (3) as follows:

7-107-102. Special meeting. (3) UNLESS THE BOARD OF DIRECTORS DETERMINES TO HOLD THE MEETING SOLELY BY MEANS OF REMOTE COMMUNICATION IN ACCORDANCE WITH SECTION 7-107-108:

(a) Special shareholders' meetings may be held in or out of this state at the place stated in or fixed in accordance with the bylaws, or, if not ~~so~~ stated in or fixed in ACCORDANCE WITH THE BYLAWS, at a place stated in or fixed in accordance with a resolution of the board of directors.

(b) If no place is ~~so~~ stated in or fixed PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION, special meetings shall be held at the corporation's principal office.

SECTION 11. In Colorado Revised Statutes, 7-107-104, **amend** (2), (3), (4), (5.5), and (7) as follows:

7-107-104. Action without meeting. (2) (a) No action taken pursuant to this section ~~shall be~~ is effective unless, within sixty days after the date the corporation first receives a ~~writing~~ DOCUMENT describing and consenting to the action and signed by a shareholder, the corporation has received ~~writings~~ DOCUMENTS that describe and consent to the action, signed by shareholders holding at least the number of shares entitled to vote on the action as required by subsection (1) or (1.5) of this section, as the case may be, disregarding any such ~~writing~~ DOCUMENT that has been revoked pursuant to subsection (3) of this section. ~~The bylaws may provide for the receipt of any such writing by the corporation by electronically transmitted facsimile or other form of wire or wireless communication providing the corporation with a complete copy thereof, including a copy of the signature thereto.~~

(b) (I) Action taken pursuant to this section ~~shall be~~ is effective as of the date the corporation receives the last ~~writing~~ DOCUMENT necessary to effect the action unless all of the ~~writings~~ DOCUMENTS necessary to effect the action state another date as the effective date of the action, in which case ~~such~~ THE stated date ~~shall be~~ is the effective date of the action.

(II) A CONSENT GIVEN BY ELECTRONIC TRANSMISSION IS DELIVERED TO THE CORPORATION UPON THE EARLIEST OF:

(A) WHEN THE CONSENT ENTERS AN INFORMATION PROCESSING SYSTEM, IF ANY, DESIGNATED BY THE CORPORATION FOR RECEIVING CONSENTS IF THE ELECTRONIC TRANSMISSION IS IN A FORM CAPABLE OF BEING PROCESSED BY THAT SYSTEM AND THE CORPORATION IS ABLE TO RETRIEVE THAT ELECTRONIC TRANSMISSION. WHETHER THE CORPORATION HAS DESIGNATED AN INFORMATION PROCESSING SYSTEM TO RECEIVE CONSENTS IS DETERMINED BY THE ARTICLES OF INCORPORATION, THE BYLAWS, OR FROM THE CONTEXT AND SURROUNDING CIRCUMSTANCES, INCLUDING THE CONDUCT OF THE CORPORATION.

(B) WHEN A PAPER REPRODUCTION OF THE CONSENT IS DELIVERED TO THE CORPORATION'S PRINCIPAL PLACE OF BUSINESS OR AN OFFICER OR AGENT OF THE CORPORATION HAVING CUSTODY OF THE BOOK IN WHICH PROCEEDINGS OF MEETINGS OF SHAREHOLDERS OR MEMBERS ARE RECORDED;

(C) WHEN A PAPER REPRODUCTION OF THE CONSENT IS DELIVERED TO THE CORPORATION'S REGISTERED OFFICE IN THIS STATE BY HAND OR BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED; OR

(D) WHEN DELIVERED IN SUCH OTHER MANNER, IF ANY, PROVIDED BY RESOLUTION OF THE BOARD OF DIRECTORS OR GOVERNING BODY OF THE CORPORATION.

(III) A CONSENT GIVEN BY ELECTRONIC TRANSMISSION IS DELIVERED UNDER THIS SECTION EVEN IF NO PERSON IS AWARE OF ITS RECEIPT. RECEIPT OF AN ELECTRONIC ACKNOWLEDGMENT FROM AN INFORMATION PROCESSING SYSTEM ESTABLISHES THAT A CONSENT GIVEN BY ELECTRONIC TRANSMISSION WAS RECEIVED BUT DOES NOT, BY ITSELF, ESTABLISH THAT THE CONTENT SENT CORRESPONDS TO THE CONTENT RECEIVED.

(3) Any shareholder who has signed a ~~writing~~ DOCUMENT describing and consenting to action taken pursuant to this section may revoke ~~such~~ THE consent by a ~~writing~~ DOCUMENT signed and dated by the shareholder describing the action and stating that the shareholder's prior consent thereto is revoked, if ~~such writing~~ THE DOCUMENT is received by the corporation prior to the effectiveness of the action.

(4) If not otherwise fixed under subsection (7) of this section or section 7-107-107, the record date for determining shareholders entitled to take action pursuant to this section or entitled to be given notice under subsection (5.5) of this section of action taken pursuant to this section is the date the corporation first receives a ~~writing~~ DOCUMENT upon which the action is taken pursuant to this section.

(5.5) If action is taken under subsection (1) of this section with less than unanimous consent of all shareholders entitled to vote upon the action, the corporation or shareholders taking the action shall, upon receipt by the corporation of all ~~writings~~ DOCUMENTS necessary to effect the action, give notice of the action to all shareholders who were entitled to vote upon the action but who have not consented to the action in the manner provided in subsection (1) of this section. The notice ~~shall~~ MUST contain or be accompanied by the same material, if any, that would have been required under articles 101 to 117 of this ~~title~~ TITLE 7 to be given to shareholders in or with a notice of the meeting at which the action would have been submitted to the shareholders.

(7) The district court for the county in this state in which the street address of the corporation's principal office is located or, if the corporation has no principal office in this state, the district court for the county in which the street address of its registered agent is located, or, if the corporation has no registered agent, the district court for the city and county of Denver may, upon application of the corporation or any shareholder who would be entitled to vote on the action at a shareholders' meeting, summarily state a record date for determining shareholders entitled to sign ~~writings~~ DOCUMENTS consenting to an action under this section and may enter other orders necessary or appropriate to effect the purposes of this section.

SECTION 12. In Colorado Revised Statutes, 7-107-105, **amend** (1) and (5) as follows:

7-107-105. Notice of meeting. (1) A corporation shall give notice to shareholders of the date, time, and place, IF ANY, of each annual and special shareholders' meeting no fewer than ten nor more than sixty days before the date of the meeting; except that, if the number of authorized shares is to be increased, THE CORPORATION SHALL GIVE at least thirty days' notice. ~~shall be given.~~ Unless articles 101 to 117 of this ~~title~~ TITLE 7 or the articles of incorporation require otherwise, the corporation is required to give notice only to shareholders entitled to vote at the meeting.

(5) (a) ~~Subject to the next sentence of this subsection (5)~~ SUBSECTION (5)(b) OF THIS SECTION and unless otherwise required by the bylaws, if an annual or special shareholders' meeting is adjourned to a different date, time, or place, IF ANY, notice need not be given of the new date, time, or place, IF ANY, if the new date, time, or place, IF ANY, is announced at the meeting before adjournment.

(b) If a new record date for the adjourned meeting is or must be fixed under section 7-107-107, notice of the adjourned meeting shall be given under this section to persons who are shareholders as of the new record date.

SECTION 13. In Colorado Revised Statutes, **repeal and reenact, with amendments,** 7-107-108 as follows:

7-107-108. Remote participation in shareholders' meetings - meetings held solely by remote participation. (1) SHAREHOLDERS OF ANY CLASS OR SERIES OF SHARES MAY PARTICIPATE IN ANY MEETING OF SHAREHOLDERS BY MEANS OF REMOTE COMMUNICATION TO THE EXTENT THE BOARD OF DIRECTORS AUTHORIZES PARTICIPATION FOR THAT CLASS OR SERIES. PARTICIPATION AS A SHAREHOLDER BY MEANS OF REMOTE COMMUNICATION IS SUBJECT TO SUCH GUIDELINES AND PROCEDURES AS THE BOARD OF DIRECTORS ADOPTS AND MUST BE IN CONFORMITY WITH SUBSECTION (2) OF THIS SECTION.

(2) SHAREHOLDERS PARTICIPATING IN A SHAREHOLDERS' MEETING BY MEANS OF REMOTE COMMUNICATION SHALL BE DEEMED PRESENT AND MAY VOTE AT SUCH A MEETING IF THE CORPORATION HAS IMPLEMENTED REASONABLE MEASURES TO:

(a) VERIFY THAT EACH PERSON PARTICIPATING REMOTELY AS A SHAREHOLDER IS A SHAREHOLDER; AND

(b) PROVIDE THE SHAREHOLDERS A REASONABLE OPPORTUNITY TO PARTICIPATE IN THE MEETING AND TO VOTE ON MATTERS SUBMITTED TO THE SHAREHOLDERS, INCLUDING AN OPPORTUNITY TO COMMUNICATE AND TO READ OR HEAR THE PROCEEDINGS OF THE MEETING, SUBSTANTIALLY CONCURRENTLY WITH THE PROCEEDINGS.

(3) UNLESS THE BYLAWS REQUIRE THE MEETING OF SHAREHOLDERS TO BE HELD AT A PLACE, THE BOARD OF DIRECTORS MAY DETERMINE THAT A MEETING OF SHAREHOLDERS WILL NOT BE HELD AT ANY PLACE AND INSTEAD WILL BE HELD SOLELY BY MEANS OF REMOTE COMMUNICATION, BUT ONLY IF THE CORPORATION IMPLEMENTS THE MEASURES SPECIFIED IN SUBSECTION (2) OF THIS SECTION.

SECTION 14. In Colorado Revised Statutes, 7-107-201, **amend** (2), (3), and (7)

as follows:

7-107-201. Shareholders' list for meeting. (2) (a) The shareholders' list ~~shall~~ MUST be available for inspection by any shareholder, beginning the earlier of ten days before the meeting for which the list was prepared or two business days after notice of the meeting is given and continuing through the meeting, and any adjournment thereof:

(I) At the corporation's principal office or at a place identified in the notice of the meeting in the city in which the meeting will be held; OR

(II) ON A REASONABLY ACCESSIBLE ELECTRONIC NETWORK IF THE INFORMATION REQUIRED TO GAIN ACCESS TO THE LIST IS PROVIDED WITH THE NOTICE OF THE MEETING. IF THE CORPORATION DETERMINES TO MAKE THE LIST AVAILABLE ON AN ELECTRONIC NETWORK, THE CORPORATION MAY TAKE REASONABLE STEPS TO ENSURE THAT THE LIST IS AVAILABLE ONLY TO SHAREHOLDERS OF THE CORPORATION.

(b) A shareholder or an agent or attorney of the shareholder is entitled on written demand to inspect and, subject to ~~the requirements of section~~ SECTIONS 7-116-102 (3) and ~~the provisions of subsections (2) and (3) of section~~ 7-116-103 (2) AND (3), to copy the list during regular business hours and during the period it is available for inspection.

(3) IF THE MEETING IS TO BE HELD AT A PLACE, the corporation shall make the shareholders' list available at the meeting, and any shareholder or an agent or attorney of the shareholder is entitled to inspect the list at any time during the meeting or any adjournment. IF THE MEETING IS TO BE HELD SOLELY BY MEANS OF REMOTE COMMUNICATION, THE LIST MUST ALSO BE OPEN TO INSPECTION DURING THE MEETING ON A REASONABLY ACCESSIBLE ELECTRONIC NETWORK, AND THE CORPORATION SHALL PROVIDE, WITH THE NOTICE OF THE MEETING, ALL INFORMATION REQUIRED TO ACCESS THE LIST.

(7) REFUSAL OR failure to prepare or make available the shareholders' list does not affect the validity of action taken at the meeting.

SECTION 15. In Colorado Revised Statutes, 7-107-202, **amend** (4) as follows:

7-107-202. Voting entitlement of shares. (4) Redeemable shares are not entitled to be voted after notice of redemption is ~~mailed~~ DELIVERED to the holders and a sum sufficient to redeem the shares has been deposited with a bank, trust company, or other financial institution under an irrevocable obligation to pay the holders the redemption price on surrender of the shares.

SECTION 16. In Colorado Revised Statutes, 7-107-203, **amend** (2) introductory portion and (2)(b); and **repeal and reenact, with amendments,** (4) as follows:

7-107-203. Proxies. (2) Without limiting the manner in which a shareholder may appoint a proxy to vote or otherwise act for the shareholder, the following ~~shall constitute~~ CONSTITUTES valid means of ~~such~~ appointment:

(b) A shareholder may appoint a proxy by ~~transmitting or authorizing the transmission of a telegram, teletype, or other~~ AN electronic transmission ~~providing a written statement of the appointment to~~ THE PERSON WHO WILL BE THE HOLDER OF the proxy OR to a proxy ~~solicitor~~ SOLICITATION FIRM, proxy support service organization, or ~~other person~~ SIMILAR AGENT duly authorized by the PERSON WHO WILL BE THE HOLDER OF THE proxy to receive appointments as agent for the proxy, ~~or to the corporation; except that the transmitted appointment shall~~ THE TRANSMISSION. THE TRANSMISSION MUST set forth or be ~~transmitted~~ SUBMITTED with ~~written evidence~~ INFORMATION from which it can be determined that the shareholder ~~transmitted or authorized the transmission of the appointment~~ AUTHORIZED THE ELECTRONIC TRANSMISSION. IF IT IS DETERMINED THAT AN ELECTRONIC TRANSMISSION IS VALID, THE PERSON MAKING THAT DETERMINATION SHALL SPECIFY THE INFORMATION UPON WHICH THE PERSON RELIED.

(4) A COPY, FACSIMILE, TELECOMMUNICATION, OR OTHER RELIABLE REPRODUCTION OF THE DOCUMENT, INCLUDING ANY ELECTRONIC TRANSMISSION, CREATED PURSUANT TO SUBSECTION (2) OF THIS SECTION MAY BE SUBSTITUTED OR USED IN LIEU OF THE ORIGINAL DOCUMENT FOR ANY AND ALL PURPOSES FOR WHICH THE ORIGINAL DOCUMENT COULD BE USED IF THE COPY, FACSIMILE, TELECOMMUNICATION, OR OTHER REPRODUCTION IS A COMPLETE REPRODUCTION OF THE ENTIRE ORIGINAL DOCUMENT.

SECTION 17. In Colorado Revised Statutes, 7-108-107, **amend** (1) as follows:

7-108-107. Resignation of directors. (1) A director may resign at any time by giving ~~written~~ notice of resignation to the corporation.

SECTION 18. In Colorado Revised Statutes, 7-108-201, **amend** (1) as follows:

7-108-201. Meetings. (1) The board of directors may hold regular or special meetings in or out of this state AND MAY HOLD THE MEETINGS BY MEANS OF REMOTE COMMUNICATION WITHOUT DESIGNATING A PLACE.

SECTION 19. In Colorado Revised Statutes, **amend** 7-108-203 as follows:

7-108-203. Notice of meeting. (1) Unless otherwise provided in the bylaws, regular meetings of the board of directors may be held without notice of the date, time, place, IF ANY PLACE IS DESIGNATED, or purpose of the meeting.

(2) Unless the bylaws provide for a longer or shorter period, special meetings of the board of directors ~~shall~~ MUST be preceded by at least two days' notice of the date, time, and place, IF ANY, OR ACCESS BY REMOTE COMMUNICATION of the meeting. The notice need not describe the purpose of the special meeting unless required by the bylaws.

SECTION 20. In Colorado Revised Statutes, 7-108-205, **amend** (4)(c) as follows:

7-108-205. Quorum and voting. (4) A director who is present at a meeting of the board of directors when corporate action is taken is deemed to have assented to all action taken at the meeting unless:

(c) The director causes ~~written~~ notice of the director's dissent or abstention as to any specific action to be received by the presiding officer of the meeting before adjournment of the meeting or by the corporation promptly after adjournment of the meeting.

SECTION 21. In Colorado Revised Statutes, 7-108-303, **amend** (1) as follows:

7-108-303. Resignation and removal of officers. (1) An officer may resign at any time by giving ~~written~~ notice of resignation to the corporation.

SECTION 22. In Colorado Revised Statutes, **amend** 7-109-110 as follows:

7-109-110. Notice to shareholders of indemnification of director. If a corporation indemnifies or advances expenses to a director under this ~~article~~ ARTICLE 109 in connection with a proceeding by or in the right of the corporation, the corporation shall give ~~written~~ notice of the indemnification or advance to the shareholders with or before the notice of the next shareholders' meeting. If the next shareholder action is taken without a meeting at the instigation of the board of directors, ~~such~~ THE CORPORATION SHALL GIVE THE notice ~~shall be given~~ to the shareholders at or before the time the first shareholder signs a ~~writing~~ DOCUMENT consenting to ~~such~~ THE action.

SECTION 23. In Colorado Revised Statutes, 7-110-203, **amend** (1) introductory portion and (1)(a) as follows:

7-110-203. Bylaws - changing quorum or voting requirement for directors - requiring a meeting place. (1) A bylaw that fixes a greater quorum or voting requirement for the board of directors OR THAT REQUIRES A MEETING OF SHAREHOLDERS TO BE HELD AT A PLACE may be amended OR REPEALED:

(a) If adopted by the shareholders, only by the shareholders UNLESS THE BYLAWS OTHERWISE PROVIDE; OR

SECTION 24. In Colorado Revised Statutes, 7-111-104, **amend** (4) and (5) as follows:

7-111-104. Merger of parent and subsidiary. (4) The parent corporation shall ~~mail~~ DELIVER a copy or summary of the plan of merger to each shareholder of the subsidiary, other than the parent corporation, ~~who~~ THAT does not waive this ~~mailing~~ DELIVERY requirement in writing.

(5) The effective date of the merger ~~shall be~~ is no earlier than:

(a) The date on which all shareholders of the subsidiary waived the ~~mailing~~ DELIVERY requirement of subsection (4) of this section; or

(b) Ten days after the date the parent ~~mailed~~ DELIVERED a copy or summary of the plan of merger to each shareholder of the subsidiary ~~who~~ THAT did not waive the ~~mailing~~ DELIVERY requirement.

SECTION 25. In Colorado Revised Statutes, 7-113-201, **amend** (3) as follows:

7-113-201. Notice of appraisal rights. (3) Where any corporate action specified in section 7-113-102 (1) is to be approved by written consent of the shareholders pursuant to section 7-107-104:

(a) ~~Written~~ Notice that appraisal rights are, are not, or may be available shall be given to each shareholder from whom a consent is solicited at the time consent of the shareholder is first solicited and, if the corporation has concluded that appraisal rights are or may be available, must be accompanied by a copy of this article 113; and

(b) ~~Written~~ Notice that appraisal rights are, are not, or may be available shall be delivered, together with the notice to nonconsenting and nonvoting shareholders required by section 7-107-104 (5.5); may include the materials described in section 7-113-203; and, if the corporation has concluded that appraisal rights are or may be available, must be accompanied by a copy of this article 113.

SECTION 26. In Colorado Revised Statutes, 7-113-202, **amend** (1)(a) as follows:

7-113-202. Notice of intent to demand payment. (1) If a proposed corporate action specified in section 7-113-102 (1) is submitted to a vote at a shareholders' meeting, a shareholder that wishes to assert appraisal rights with respect to any class or series of shares:

(a) Must deliver to the corporation, before the vote is taken, ~~written~~ notice of the shareholder's intent to demand payment if the proposed corporate action is effectuated; and

SECTION 27. In Colorado Revised Statutes, 7-113-301, **amend** (3)(b) as follows:

7-113-301. Court action. (3) (b) Service on each shareholder demanding appraisal rights must be by registered or certified mail OR BY ELECTRONIC TRANSMISSION to the address stated in the shareholder's payment demand or, if no such address is stated in the payment demand, to the address shown on the corporation's current record of shareholders for the shareholder holding the shares as to which appraisal rights are demanded, or as provided by law.

SECTION 28. In Colorado Revised Statutes, 7-114-305, **amend** (2)(a) as follows:

7-114-305. Election to purchase in lieu of dissolution. (2) (a) An election to purchase pursuant to this section may be filed with the court at any time within ninety days after the filing of the petition under section 7-114-301 (2) or at such later time as the court in its discretion may allow. If the election to purchase is filed by one or more shareholders, the corporation shall, within ten days after the filing, give ~~written~~ notice to all shareholders other than the petitioner. The notice must state the name and number of shares owned by the petitioner and the name and number of shares owned by each electing shareholder and must advise the recipients of their right to join in the election to purchase shares in accordance with this section.

SECTION 29. In Colorado Revised Statutes, 7-116-101, **amend** (4) as follows:

7-116-101. Corporate records. (4) A corporation shall maintain its records in written form. ~~or in another form capable of conversion into written form within a reasonable time.~~

SECTION 30. In Colorado Revised Statutes, **amend** 7-116-105 as follows:

7-116-105. Financial statements. Upon the written request of any shareholder, a corporation shall ~~mail~~ DELIVER to ~~such~~ THE shareholder its most recent annual financial statements, if any, and its most recently published financial statements, if any, showing in reasonable detail its assets and liabilities and results of its operations.

SECTION 31. In Colorado Revised Statutes, **amend** 7-116-106 as follows:

7-116-106. Information respecting shares. Upon the written request of any shareholder, a corporation shall ~~mail~~ DELIVER to ~~such~~ THE shareholder, at the corporation's expense, the information specified by section 7-106-206 (4), whether or not ~~such~~ THE information is also contained or summarized on any share certificate of the shareholder.

SECTION 32. Applicability. This act applies to conduct occurring on or after the effective date of this act.

SECTION 33. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: April 19, 2021